

Council for Labor & Economic Growth
Quarterly Meeting
Focus: HOPE- Conference Center
Monday, June 5, 2006
10:00 a.m. – 2:00 p.m.

MEMBERS PRESENT:

Derick Adams	Thomas Hickner	Gene Pierce
E. Sharon Banks	Win Irwin	Hubert Price, Jr.
Lloyd Bingham, Ph. D.	Robert Jacquart	Sharon Rivera
Antoon Brusselmans	Eleanor Josaitis	Trenda Rusher
Matt Brynildson	Janet Joseph	Michael Schmidt
Patrick Cannon	Mitzi King	Jaye Shamsiddeen
Matthew Chambers	Jack Litzenberg	Patricia Shimmens
Richard Dandurand	Frank Lopez	Robert Swanson
Bradley Dyer	Alan Low	Mitch Tomlinson
Christopher Fitch	Juan Mestas	Marianne Udow
Michael Flanagan	Shelly Norman-Hill	Benjie Williams
Norma Hagenow	William Orabone	George Yost
Doyle Hayes	Sharon Parks	J. Michael Zelle
John Hernandez	William Peterson	Lynn Zuellig

MEMBERS ABSENT:

Wilma Abney	David Eisler	Alan Sanborn
Kenneth Baker	Michael Haller	Kester So
David Binkley	Dennis Hands	Buzz Thomas
Ted Blashak	George Heartwell	Mary Thornton
Harry Bonner, Sr.	Janet Olszewski	John VanWyck
Richard Blouse, Jr.	Sharon Peters	John Voorhorst
Michael Bryanton	Phillip Power	
Enrique Carrillo	Hari Radheshwar	

I. CALL TO ORDER

Mr. Mitch Tomlinson, Vice-Chair, called the meeting to order at 10:15 a.m. Mr. Tomlinson welcomed the Council members and thanked Eleanor Josaitis, CEO and Co-Founder Emeritus of Focus: HOPE for hosting the meeting. Council members were encouraged to take advantage of a tour of the facility. Mr. Tomlinson invited Ms. Josaitis to say a few words. Ms. Josaitis welcomed the Council members and acknowledged Mr. Jack Litzenberg, CLEG member and Focus: HOPE board member. A brief history of Focus: HOPE was provided since it's founding in 1968 in response to the riots in Detroit.

Mr. Tomlinson announced Sharon Wenzl's resignation from Tower Automotive, so therefore she no longer meets the criteria for serving on the Council. Ms. Sue Ann Searles has assumed the position of Acting Manager of the Advisory Administration Unit and Administrator for CLEG, due to Ms. Marcia Black-Watson assuming duties as Acting Assistant to the Deputy Director. Congratulations to them both. Mr. Tomlinson then invited Bob Swanson to say a few words as new Director for the Department of Labor & Economic Growth (DLEG).

Mr. Swanson announced that Ms. Irma Zuckerberg would be retiring from DLEG effective June 23, 2006 to join David Hollister at Prima Civitas. Mr. Swanson provided an update on the Department's activities, including the following:

- The 2005 goal of the Mi Opportunity Partnership of matching 30,000 workers with jobs was met in April. The 2006 goal is to place an additional 40,000 people with jobs.
- A new publication entitled *Creating Michigan's 21st Century Workforce – People Preparing & Prepared for Work*, was developed to provide an overview of the state's workforce efforts, which includes a case study of the Greenville/Electrolux story.
- Michigan was awarded two of the thirteen Workforce Innovation for Regional Economic Development (WIRED) grants, with the Southeast Michigan's proposal designated as a virtual WIRED region, set to receive an additional \$100,000 for technical assistance.
- Focus: HOPE programs are included in the Governor's budget proposal, so pre-college engineering programs will continue to be funded.
- DLEG and the Michigan Department of Transportation recently announced a Detroit Youth Summer Jobs Program that will serve 350 youth, ages 14-17 for six to ten weeks this summer.

Mr. Swanson introduced State Superintendent of Education Mike Flanagan to discuss the state's new curriculum requirements.

Superintendent Flanagan thanked the Council members who voiced their support for the proposal as it moved through the legislature. He stated the proposal is about the future of the state, not politics, and education is economic development. Career Tech is a big part of the new proposal- kids learn through relevance- and will play a large role. The new three Rs are Rigor, Relevance, and Relationships.

Mr. Mike Zelley, CLEG member, provided a brief overview of the Michigan Works! Alumni Celebration held in January 2006. Each of the 25 Michigan Works! Agencies (MWAs) nominate one successful alumnus of their programs to be honored with MWA representatives and legislatures. The Michigan Works! system provides a great return on investment both financial as well as in human capital. A short video was shown from the event.

II. ACTION ITEMS

Mr. Tomlinson reviewed the agenda, and stated Council members were provided the action item documents in their pre-meeting packets. CLEG members making a motion were asked to state their name clearly.

II. i. APPROVAL OF THE MINUTES

The first action item is the approval of the meeting minutes from the February 13, 2006 quarterly meeting. Mr. Hubert Price, Jr., CLEG member, stated he would have participated by phone however, the system did not work, so he would like the record to reflect "excused" absence.

A MOTION was made by Ms. Trenda Rusher, CLEG member, and SUPPORTED by Sharon Parks, CLEG member to approve the minutes from the February 13, 2006 meeting with the noted revisions.

II. ii. MODIFICATION OF THE STATE'S WORKFORCE INVESTMENT PLAN

Mr. Tomlinson introduced Mr. Matt Chambers, Chair of the Accelerating Re-Employment/Workforce System Committee, and Ms. Janet Howard, Deputy Director of the Bureau of Workforce Programs (BWP), DLEG, as presenters of two action items: Modification of the State's Workforce Investment Plan and Western Upper Peninsula Waiver Request.

The State requested, and was granted, a waiver that would allow the State to utilize a portion, up to fifty percent, of WIA State set-aside Rapid Response funds as "local activity funds" to operate an incumbent worker training program at the local Workforce Development Board level. These funds will be utilized in the same manner as statewide activities funding. Through its implementation, this waiver will further the State's workforce investment system and will align with the State's strategic plan goals by addressing the need for a more skilled workforce, assist in the retention of businesses, and attract entrepreneurs.

The State also requested, and was granted, a waiver allowing the redistribution of recaptured local area adult, dislocated worker, and youth funds based on a Workforce Development Board's requested amount, demonstrated capacity to expend formula funds, and performance in the current and prior program years, rather than redistribution based solely on previous expenditure levels. Through the implementation of this waiver, the State can ensure that federal funds will be more efficiently and effectively managed. Maximum service provision and program performance will be enhanced by redistribution to workforce areas where the greatest potential impact may be realized.

A MOTION was made by Mr. Chambers, CLEG member, and SUPPORTED by Mr. Bill Peterson, CLEG member, to approve the modifications to the State's Workforce Investment Plan.

II. iii. WESTERN UPPER PENINSULA WAIVER REQUEST

The Western U. P. Manpower Consortium (WUP) and its local Workforce Development Board (WDB), have requested a waiver to the state policy that requires the delivery of all participant services be provided by subcontractor. The WUP issued a Request for Proposal seeking a contractor employing merit-based staff to deliver these services as federally required for the utilization of Wagner-Peyser funds. Responses to the RFP were submitted to the WUP for review and consideration. All submissions received were from private-for-profit organizations not meeting the merit-based staff requirement, deeming them all unacceptable. This lack of acceptable responses resulted in the submission of the request for waiver described.

It should be noted that the WUP has operated these programs under waiver since 1998 because of either the total lack of contractor interest or the lack of acceptable contractor interest. This request for waiver was submitted in accordance with DLEG policy and with the required documentation.

A MOTION was made by Mr. Chambers, and SUPPORTED by Mr. Zelle, to approve the Western U. P. Waiver Request.

II. iv. WORKFORCE INVESTMENT ACT (WIA) INCENTIVE GRANT APPLICATION

Mr. Tomlinson introduced Ms. Deb LaPine, Director of the Bureau of Career Education Programs, DLEG, to join Mr. Chambers as presenters of the WIA Incentive Grant Application.

The Department of Labor and Economic Growth proposes to join with other community partners to provide targeted Adult Education and Literacy programs in the Benton Harbor Area.

A multi-faceted approach is being planned to address the needs of the community, and through this Incentive Grant, will build upon current initiatives such as Distance Learning, Comprehensive Employment Basic Skills, Credit Recovery, and Community College Articulation through Career Clusters. There are four main areas of focus: (1) Adult Basic Education and Family Literacy, (2) Workplace Literacy, (3) GED Completion, and (4) Transition to postsecondary education and employment.

Highlights of the proposed grant include:

- A Literacy Program in Benton Harbor that will improve the literacy rate of residents;
- An Adult Ed Distance Learning Program that will partner with Bridges to Learn Program, which is an accelerated GED preparation program;
- Partnering with area businesses to emphasize workplace skills identified by area employers;
- Credit recovery for individuals close to high school completion;
- Career Pathways and Career Clusters to address the high school dropout rate;
- Development of a “middle college” at community colleges to allow high school students to earn college credits while earning their high school diploma.

Several questions and comments were posed. Mr. Price asked if any consideration was given to the learning disabled. It is anticipated there will be screening for learning disabilities to direct teaching to student's learning style. Mr. Zelle commented the Accelerating Re-Employment Committee discussed that all MWAs statewide contributed to the good performance and while it was suggested that the funds be distributed statewide, ultimately the Committee supported the proposal to focus on one area in order to strengthen the program. It is hoped there will be evidenced-based information to be used in other areas of the state. Dr. Sharon Banks, CLEG member, stated that the Lansing School District had great success with a virtual learning experience and she was glad to see that was part of the grant proposal. Mr. Lloyd Bingham, CLEG member, researched the community and stated the need is certainly there, and does not support seeing the funding diluted since the cost to society will be higher if remedial training is not provided.

A MOTION was made by Mr. Chambers, and SUPPORTED by Mr. Benjie Williams, CLEG member, to approve the WIA Incentive Grant Application.

III. MICHIGAN MERIT AWARD

Mr. Chuck Wilbur, Senior Advisor for Education and Communication from the Office of Governor Jennifer M. Granholm, provided information on the Michigan Merit Award. The Governor's proposal is driven by a recommendation from the Cherry Commission that there be higher education for all Michigan students. Beginning in 2008, the American College Test (ACT) would substitute the Michigan Educational Assessment Program (MEAP). The Governor's proposal includes:

- Beginning with the high school class of 2008, students can use the \$4,000 scholarship to attend any college or university in Michigan, public or private, and a wide array of technical training programs.
- Students who do well on the high school assessment can earn half their scholarship, \$2,000, during their freshmen and sophomore years and earn the remaining \$2,000 by successfully

completing two years of post-secondary education, earning an associate's degree, junior status at a 4-year institution or technical certification.

- Students who not receive a qualifying score on the assessment test can earn their entire \$4,000 scholarship by successfully completing two years of post-secondary education. They will be able to demonstrate their “merit” by earning the post secondary credentials that employers demand.

The floor was opened for questions and comments. Mr. Robert Jacquart, CLEG member, asked how would the students be addressed who do not pass the initial assessment. How do you get beyond the inherent message that they are not college material? Mr. Wilbur stated the ACT is a federal requirement, and the information would be used as an opportunity to identify areas for improvement between the time the test is taken and graduation. Mr. Jacquart also asked about students who cannot complete two years. It was explained that there are a number of ways to achieve training and post-secondary education, and that it doesn't necessarily have to be “college” in the traditional sense.

Mr. Price questioned the concept of tying all of the money to performance on a test. It would be preferable to have a process that blended eligibility requirements to look at a student's grade point average (GPA), extracurricular, as well as performance. In older urban districts it would be likely that college attendance is lower. Mr. Wilbur stated it is important to consider a number of metrics, but sometimes it is hard to convince legislators of that fact.

IV. SOLUTIONS FOR MICHIGAN'S 21st CENTURY WORKFORCE

The Accelerating Re-Employment Committee gave a presentation on Solutions for Michigan's 21st Century Workforce. Mr. Chambers gave an overview of how Solutions was developed. Solutions is a set of guiding values to ensure alignment of programs and resources as well as collaboration across Michigan's workforce system. Solutions are the common agenda upon which to build shared strategies, action, objectives and commitments by state agencies, educators, employers and other key stakeholders.

Innovation- Mr. Bill Orabone stated innovation is not mere invention; it also takes other factors to be fruitful. It is important to be practical and stick with it, since the first time may not bring success.

Diversity and Inclusion- Mr. Zelle referenced the Hoshin process and that it brought forward diversity as a major driving factor. Diversity works as a guiding value that allows all citizens to prosper.

Growth and Attraction- Mr. Doyle Hayes talked about the climate in Michigan and that it must change. Transplant companies are looking for a conducive climate and a good tax climate will bring new businesses.

Employability and Advancement- Ms. Mitzi King provided the example of the MI Opportunity Partnership, which is targeted assistance to workers and employers to match workers with jobs.

Education and Training- Mr. Gene Pierce said that despite negative stories, Michigan continues to have strong education and students. Relevance is important as well as industry-based standards. Ms. Lynn Zuellig gave an example of a student who transitioned from food service to home health aide by participating in an apprenticeship program for careers in home health aide, and who is now a mentor.

Business Solutions- Ms. Tenda Rusher stated that Business Solutions is a key part to provide relevance to Michigan businesses and support the Governor's plan. Washtenaw County's Mega P is an example of coordination and collaboration. We need to do more to meet the needs of small businesses.

Mr. Chambers asked the Council and their partners to adopt this vision statement and its overarching values. It is the hope of the Accelerating Re-Employment Committee that the Governor will adopt Solutions for the state. Mr. Chambers asked for questions and comments.

Mr. Bingham asked what strategies the Committee envisions to use to build and promote Solutions. Mr. Chambers answered that these are overarching statements, not specific strategies, and it is hoped that those who adopt Solutions will use them to guide their actions and commit to the principles included in it, and that strategies will vary from organization to organization. These are values to live by. We are hoping that Council members will go forward and ask the organizations and companies they are affiliated with to subscribe to the principles, and would like all Council members to sign on. Solutions is not for the short term, but for the duration.

A MOTION was made by Mr. Patrick Cannon, CLEG member, and SUPPORTED by Dr. Sharon Banks to adopt Solutions as guiding principles.

A public signing ceremony is scheduled for the September 12 meeting in Traverse City, with poster size documents available for signatories to take back to their place of business.

V. ADVANCED MANUFACTURING HUMAN CAPITAL ASSESSMENT MAP

Eleanor Josaitis, chair of the Advanced Manufacturing Subcommittee of the *Tackling Major Workforce Issues Facing Key Industry Sector Committee*, and Larry Good, Corporation for a Skilled Workforce, Committee staff, gave a presentation on Mapping Human Capital Needs, Issues, and Opportunities in Advanced Manufacturing.

Mr. Good stated that despite news stories to the contrary, manufacturing would continue to be a core industry, in automotive and other industry sectors in the state. The following are key points of the presentation:

- Globalization drives culture, educational services, and industry, and creates the need for change.
- There is a need to train new workers and retrain existing workers whose skill sets need updating.
- The concept of manufacturing needs to be re-imaged to make it a career that is considered by young people.

Mr. Zelle asked for clarification regarding what was meant by industry working with a more diverse workforce as an issue, and Mr. Good answered that in one respect it is ethnic diversity and whether the workforce is prepared to work with multiple cultures.

Mr. Orabone commented that by doing this by industry segment, is the Committee finding that industries all want the same thing, and are they surprised by this. The Committee was finding overlap which is a good thing, because it means there are no winners or losers, and the information can be provided to everyone.

VI. PUBLIC COMMENTS/CLOSING REMARKS

Mr. Tomlinson offered the opportunity for public comment and there was none.

Mr. Tomlinson announced that Richard Dandurand would be retiring from Granger Construction in July so this would be his last CLEG meeting, and thanked him for his tenure with CLEG.

The next CLEG meeting is in Traverse City in conjunction with the Michigan Works! for People Conference on September 12. On the agenda there will be an official signing ceremony for Solutions. Council members were reminded to recruit and identify signatories for Solutions.

There being no further business, Mr. Tomlinson adjourned the meeting at 2:00 p.m.